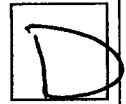


ARIZONA CORPORATION COMMISSION
UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL – MAKE CHANGES AS NECESSARY



W-04049A
DS Water Company
PO Box 786
Desert Springs, AZ 86432

ANNUAL REPORT

RECEIVED

APR 11 2006

**Z Corporation Commissic
Director of Utilities**

FOR YEAR ENDING

12	31	2005
----	----	------

entered
4-12-06
RR

FOR COMMISSION USE

ANN04	05
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COMPANY INFORMATION

Company Name (Business Name) <u>DS Water Company</u>		
Mailing Address <u>P.O. Box 786</u>		
<u>Desert Springs</u> (City)	<u>AZ</u> (State)	<u>86432</u> (Zip)
<u>928-347-5467</u> Telephone No. (Include Area Code)	<u>928-347-5484</u> Fax No. (Include Area Code)	<u>702-525-6074</u> Pager/Cell No. (Include Area Code)
Email Address <u>pwynn@mesquiteweb.com</u>		
Local Office Mailing Address <u>See above</u>		
<u></u> (City)	<u></u> (State)	<u></u> (Zip)
<u></u> Local Office Telephone No. (Include Area Code)	<u></u> Fax No. (Include Area Code)	<u></u> Pager/Cell No. (Include Area Code)
Email Address <u></u>		

MANAGEMENT INFORMATION

Management Contact: <u>Patti Wynn</u>			<u>Manager</u>
<u>P.O. Box 786</u> (Street)	<u>Desert Springs</u> (City)	<u>AZ</u> (State)	<u>86432</u> (Zip)
<u>928-347-5467</u> Telephone No. (Include Area Code)	<u>928-347-5484</u> Fax No. (Include Area Code)	<u>702-525-6074</u> Pager/Cell No. (Include Area Code)	
Email Address <u>pwynn@mesquiteweb.com</u>			
On Site Manager: <u>Patti Wynn</u>			
<u>Physical address only</u>			
<u>4103 East Fleet Street, Suite 200</u> (Street)	<u>Desert Springs</u> (City)	<u>AZ</u> (State)	<u>86432</u> (Zip)
<u>928-347-5467</u> Telephone No. (Include Area Code)	<u>928-347-5484</u> Fax No. (Include Area Code)	<u>702-525-6074</u> Pager/Cell No. (Include Area Code)	
Email Address <u>pwynn@mesquiteweb.com</u>			

☐ Please mark this box if the above address(es) have changed or are updated since the last filing.

Statutory Agent: Richard L. Sallquist Sallquist, Drummond & O'Connor, PC
 (Name)

1430 E. Missouri Ave., Suite B-125 Phoenix, AZ 85014
 (Street) (City) (State) (Zip)

602-224-9222 602-224-9366
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

Attorney: Richard L. Sallquist Sallquist, Drummond & O'Connor, PC
 (Name)

4500 S. Lakeshore Drive, Suite 339 Tempe, AZ 85282
 (Street) (City) (State) (Zip)

480-839-5202 480-345-0412
 Telephone No. (Include Area Code) Fax No. (Include Area Code) Pager/Cell No. (Include Area Code)

☒ Please mark this box if the above address(es) have changed or are updated since the last filing.

OWNERSHIP INFORMATION

Check the following box that applies to your company:

- | | |
|---|---|
| <input type="checkbox"/> Sole Proprietor (S) | <input type="checkbox"/> C Corporation (C) (Other than Association/Co-op) |
| <input type="checkbox"/> Partnership (P) | <input checked="" type="checkbox"/> Subchapter S Corporation (Z) |
| <input type="checkbox"/> Bankruptcy (B) | <input type="checkbox"/> Association/Co-op (A) |
| <input type="checkbox"/> Receivership (R) | <input type="checkbox"/> Limited Liability Company |
| <input type="checkbox"/> Other (Describe) _____ | |

COUNTIES SERVED

Check the box below for the county/ies in which you are certificated to provide service:

- | | | |
|-------------------------------------|-----------------------------------|--|
| <input type="checkbox"/> APACHE | <input type="checkbox"/> COCHISE | <input type="checkbox"/> COCONINO |
| <input type="checkbox"/> GILA | <input type="checkbox"/> GRAHAM | <input type="checkbox"/> GREENLEE |
| <input type="checkbox"/> LA PAZ | <input type="checkbox"/> MARICOPA | <input checked="" type="checkbox"/> MOHAVE |
| <input type="checkbox"/> NAVAJO | <input type="checkbox"/> PIMA | <input type="checkbox"/> PINAL |
| <input type="checkbox"/> SANTA CRUZ | <input type="checkbox"/> YAVAPAI | <input type="checkbox"/> YUMA |
| <input type="checkbox"/> STATEWIDE | | |

COMPANY NAME

DS Water Company

UTILITY PLANT IN SERVICE

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	1,057	633	424
302	Franchises	28,781	4,957	23,824
303	Land and Land Rights			
304	Structures and Improvements	25,713	3,288	22,425
307	Wells and Springs	18,849	2,412	16,437
309	Supply Mains	94,845	1,952	92,893
311	Pumping Equipment	46,750	17,946	28,804
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	37,572	6,196	31,376
331	Transmission and Distribution Mains	55,984	8,490	47,494
333	Services			
334	Meters and Meter Installations	31,215	7,550	23,665
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	11,964	4,998	6,966
343	Tools, Shop and Garage Equipment	239	0	239
344	Laboratory Equipment			
345	Power Operated Equipment	613	80	533
346	Communication Equipment	6,894	3,362	3,532
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	360,476	61,864	298,612

This amount goes on the Balance Sheet Acct. No. 108

COMPANY NAME DS water Company

CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
301	Organization	1,057	20.00	211
302	Franchises	28,781	6.67	1,919
303	Land and Land Rights			
304	Structures and Improvements	25,713	3.33	673
307	Wells and Springs	18,849	3.33	715
309 311	Supply Mains Pumping Equipment	94,845 46,750	2.00 12.50	1,195 5,845
320	Water Treatment Equipment			
330	Distribution Reservoirs and Standpipes	37,572	2.22	835
331	Transmission and Distribution Mains	55,984	2.00	1,120
333	Services			
334	Meters and Meter Installations	31,215	8.33	2,576
335	Hydrants			
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment			
341	Transportation Equipment	11,964	20.00	1,798
343	Tools, Shop and Garage Equipment	239	5.00	0
344	Laboratory Equipment			
345	Power Operated Equipment	613	5.00	715
346	Communication Equipment	6,894	10.00	560
347	Miscellaneous Equipment			
348	Other Tangible Plant			
	TOTALS	360,476		18,162

This amount goes on the Comparative Statement of Income and Expense _____
Acct. No. 403.

COMPANY NAME DS water Company

BALANCE SHEET

Acct .No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	ASSETS		
	CURRENT AND ACCRUED ASSETS		
131	Cash	\$ 7,697.22	\$ - 0 -
134	Working Funds		
135	Temporary Cash Investments		
141	Customer Accounts Receivable	2,403.90	626.78
146	Notes/Receivables from Associated Companies		
151	Plant Material and Supplies	3,779.32	3,689.16
162	Prepayments		
174	Miscellaneous Current and Accrued Assets		
	TOTAL CURRENT AND ACCRUED ASSETS	\$ 13,880.44	\$ 4,315.94
	FIXED ASSETS		
101	Utility Plant in Service	\$ 295,915.29	\$ 360,477.36
103	Property Held for Future Use		
105	Construction Work in Progress		
108	Accumulated Depreciation – Utility Plant	- 63,677	- 61,864
121	Non-Utility Property		
122	Accumulated Depreciation – Non Utility		
	TOTAL FIXED ASSETS	\$ 232,238.29	\$ 298,613.36
	TOTAL ASSETS	\$ 246,118.73	\$ 302,929.30

NOTE: The Assets on this page should be equal to **Total Liabilities and Capital** on the following page.

COMPANY NAME DS Water Company

BALANCE SHEET (CONTINUED)

Acct. No.		BALANCE AT BEGINNING OF YEAR	BALANCE AT END OF YEAR
	LIABILITIES		
	CURRENT LIABILITIES		
231	Accounts Payable	\$ 5,932.50	\$ -0-
232	Notes Payable (Current Portion)		
234	Notes/Accounts Payable to Associated Companies		
235	Customer Deposits	900.00	1,100.00
236	Accrued Taxes	772.02	56.79
237	Accrued Interest		
241	Miscellaneous Current and Accrued Liabilities	892.56	1,439.94
	TOTAL CURRENT LIABILITIES	\$ 8,497.08	\$ 2,596.73
	LONG-TERM DEBT (Over 12 Months)		
224	Long-Term Notes and Bonds	\$ 373,990.92	\$ 530,923.42
	DEFERRED CREDITS		
251	Unamortized Premium on Debt	\$	\$
252	Advances in Aid of Construction		
255	Accumulated Deferred Investment Tax Credits		
271	Contributions in Aid of Construction	1,615.00	3,570.00
272	Less: Amortization of Contributions		
281	Accumulated Deferred Income Tax		
	TOTAL DEFERRED CREDITS	\$ 1,615.00	\$ 3,570.00
	TOTAL LIABILITIES	\$ 384,103.00	\$ 537,090.15
	CAPITAL ACCOUNTS		
201	Common Stock Issued	\$ 3,000.00	\$ 3,000.00
211	Paid in Capital in Excess of Par Value	108,000.00	108,000.00
215	Retained Earnings	-248,984.27	-345,160.85
218	Proprietary Capital (Sole Props and Partnerships)		
	TOTAL CAPITAL	\$ -137,984.27	\$ -234,160.85
	TOTAL LIABILITIES AND CAPITAL	\$ 246,118.73	\$ 302,929.30

COMPANY NAME DS Water Company

COMPARATIVE STATEMENT OF INCOME AND EXPENSE

Acct. No.	OPERATING REVENUES	PRIOR YEAR	CURRENT YEAR
461	Metered Water Revenue	\$ 1,295.28	\$ 1,315.84
460	Unmetered Water Revenue	42,941.98	41,188.28
474	Other Water Revenues	3,391.78	6,360.00
	TOTAL REVENUES	\$ 47,629.04	\$ 48,864.12
	OPERATING EXPENSES		
601	Salaries and Wages	\$ 68,336.14	\$ 87,058.83
610	Purchased Water		
615	Purchased Power	2,414.12	2,148.21
618	Chemicals		132.29
620	Repairs and Maintenance	4,409.10	13,564.09
621	Office Supplies and Expense		
630	Outside Services	3,646.76	4,051.96
635	Water Testing	1,493.95	908.67
641	Rents	390.00	299.74
650	Transportation Expenses	3,661.50	6,575.72
657	Insurance – General Liability	4,718.00	4,511.31
659	Insurance - Health and Life		
666	Regulatory Commission Expense – Rate Case		
675	Miscellaneous Expense	1,478.51	3,436.15
403	Depreciation Expense	17,308.00	18,162.00
408	Taxes Other Than Income	2.84	35.25
408.11	Property Taxes	165.31	1,582.00
409	Income Tax		
	TOTAL OPERATING EXPENSES	\$ 107,974.23	\$ 142,466.22
	OPERATING INCOME/(LOSS)	\$ -60,345.19	\$ -93,602.10
	OTHER INCOME/(EXPENSE)		
419	Interest and Dividend Income	\$ 36.08	\$ 41.62
421	Non-Utility Income		
426	Miscellaneous Non-Utility Expenses		2,585.60
427	Interest Expense		30.50
	TOTAL OTHER INCOME/(EXPENSE)	\$ 36.08	\$ -2,574.48
	NET INCOME/(LOSS)	\$ -60,309.11	\$ -96,176.58

COMPANY NAME DS Water company

SUPPLEMENTAL FINANCIAL DATA

Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	9/30/2005			
Source of Loan	Monte Holm			
ACC Decision No.				
Reason for Loan	Fund Cash Shortfall			
Dollar Amount Issued	\$ 530,923.42	\$	\$	\$
Amount Outstanding	\$ 530,923.42	\$	\$	\$
Date of Maturity	Upon Demand			
Interest Rate	2.0 %	%	%	%
Current Year Interest	\$ -0-	\$	\$	\$
Current Year Principle	\$ -0-	\$	\$	\$

Meter Deposit Balance at Test Year End

\$ 3,570.00

Meter Deposits Refunded During the Test Year

\$ 170.00

COMPANY NAME DS water company

WATER COMPANY PLANT DESCRIPTION

WELLS

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-512262	20 Hp	186 gal/min.	51 ft.	8"	6"	1985

* Arizona Department of Water Resources Identification Number

OTHER WATER SOURCES

Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
Well #2 - Not in service		

BOOSTER PUMPS		FIRE HYDRANTS	
Horsepower	Quantity	Quantity Standard	Quantity Other
5 Hp (50B2)	2	None	N/A
10 Hp (100B2)	1		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
80,000	2	119 gallon	8

COMPANY NAME DS Water company

WATER COMPANY PLANT DESCRIPTION (CONTINUED)

MAINS

Size (in inches)	Material	Length (in feet)
2	PVC	6,104 ft.
3		
4	PVC	19,318 ft.
5		
6	PVC/C-900	5,585 ft.
8	PVC/C-900	1,500 ft.
10		
12		

CUSTOMER METERS

Size (in inches)	Quantity
5/8 X 3/4	82
3/4	
1	6
1 1/2	
2	
Comp. 3	
Turbo 3	
Comp. 4	
Tubo 4	
Comp. 6	
Tubo 6	

For the following three items, list the utility owned assets in each category.

TREATMENT EQUIPMENT:

None

STRUCTURES:

Well House

Pressurization House

OTHER:

245' Steel Support Structure over Virgin River

COMPANY NAME: DS water company

WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2005

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD	GALLON PUMPED (Thousands)
JANUARY	82	493,545	1,272,710 *
FEBRUARY	82	499,905	143,230
MARCH	82	570,700	320,370
APRIL	82	763,120	366,580
MAY	84	949,150	303,860
JUNE	85	1,080,280	329,880
JULY	85	1,215,670	467,150
AUGUST	87	1,233,050	420,490
SEPTEMBER	87	1,135,870	466,350
OCTOBER	87	718,654	746,440
NOVEMBER	87	680,696	717,770
DECEMBER	88	516,800	590,700
TOTAL		9,857,440	6,145,530

Is the Water Utility located in an ADWR Active Management Area (AMA)?

() Yes (X) No

Does the Company have an ADWR Gallons Per Capita Per Day (GPCPD) requirement?

() Yes (X) No

If yes, provide the GPCPD amount: N/A

What is the level of arsenic for each well on your system. 7 mg/l
(If more than one well, please list each separately.)

Note: If you are filing for more than one system, please provide separate data sheets for each system.

*During the week of January 10, 2005, catastrophic flooding occurred in the Virgin River and washed away 30% of our infrastructure. Service from our only well to approximately 70% of our customers on the South side of the Virgin River was cut off. The "gallons pumped" for the months of January through September 2005 reflect only the metered water pumped from our only well to the remaining 30% of our customers on the North side of the Virgin River. An agricultural well was temporarily put into service on the South side of the Virgin River while engineering and construction of the new infrastructure was completed. Therefore, "gallons sold" reflects the metered water for all customers on both the North and South side of the Virgin River. Additionally, during the week of January 10, 2005 when the flooding washed away our infrastructure, it also washed away the bridge on Highway 91 so we were unable to get to our only well to shut off valves. Therefore, many thousands of gallons of water were pumped into the Virgin River during those first few days.

COMPANY NAME DS Water Company YEAR ENDING 12/31/2005

PROPERTY TAXES

Amount of actual property taxes paid during Calendar Year 2005 was: \$ 1,582

Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.

If no property taxes paid, explain why. _____

Amount \$105.19 Date 11/8/2005

Amount \$153.23 Date 11/8/2005

Amount \$337.91 Date 11/9/2005

Amount \$317.30 Date 11/10/2005

Amount \$125.98 Date 11/14/2005

Amount \$279.30 Date 11/15/2005

Amount \$392.26 Date 11/16/2005

Amount \$206.55 Date 11/17/2005

Amount \$294.62 Date 11/18/2005

Check 2162 Amount \$1,582.00 Date 11/1/2005

Check 2174 Amount \$5,305.43 Date 11/1/2005

Check 2189 Amount \$65.84 Date 11/1/2005

VERIFICATION
AND
SWORN STATEMENT
Taxes

RECEIVED

APR 11 2006

Z Corporation Commission
Director of Utilities

VERIFICATION

STATE OF Arizona
I, THE UNDERSIGNED
OF THE

COUNTY OF (COUNTY NAME)
<u>Mohave</u>
NAME (OWNER OR OFFICIAL) TITLE
<u>Patti Wynn, President</u>
COMPANY NAME
<u>DS Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

Patti A Wynn
SIGNATURE OF OWNER OR OFFICIAL
928-347-5467
TELEPHONE NUMBER

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

10

DAY OF

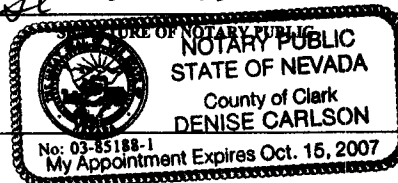
COUNTY NAME	<u>Clark</u>
MONTH	<u>April</u>
	<u>2006</u>

(SEAL)

MY COMMISSION EXPIRES

Oct 15, 2007

Denise Carlson



COMPANY NAME DS Water Company YEAR ENDING 12/31/2005

INCOME TAXES

For this reporting period, provide the following:

Federal Taxable Income Reported - 91,755
Estimated or Actual Federal Tax Liability None

State Taxable Income Reported - 91,755
Estimated or Actual State Tax Liability None

Amount of Grossed-Up Contributions/Advances:

Amount of Contributions/Advances 156,932
Amount of Gross-Up Tax Collected None
Total Grossed-Up Contributions/Advances 156,932

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

CERTIFICATION

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

Patti A. Wynn
SIGNATURE

4.10.06
DATE

Patti A. Wynn
PRINTED NAME

President
TITLE

**VERIFICATION
AND
SWORN STATEMENT
Intrastate Revenues Only**

RECEIVED

APR 11 2006

**Z Corporation Commission
Director of Utilities**

VERIFICATION

STATE OF Arizona

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME) <u>Mohave</u>
NAME (OWNER OR OFFICIAL) TITLE <u>Patti Wynn, President</u>
COMPANY NAME <u>PS Water Company</u>

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS DURING CALENDAR YEAR 2005 WAS:

Arizona Intrastate Gross Operating Revenues Only (\$)

\$ 51,811.03

**(THE AMOUNT IN BOX ABOVE
INCLUDES \$ 2,946.91
IN SALES TAXES BILLED, OR COLLECTED)**

****REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED OR COLLECTED. IF FOR ANY OTHER REASON, THE REVENUE REPORTED ABOVE DOES NOT AGREE WITH TOTAL OPERATING REVENUES ELSEWHERE REPORTED, ATTACH THOSE STATEMENTS THAT RECONCILE THE DIFFERENCE. (EXPLAIN IN DETAIL)**

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

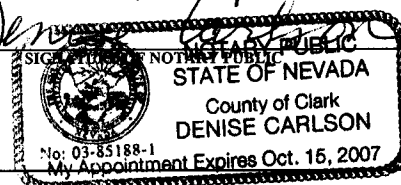
THIS 10 **DAY OF**

(SEAL)

MY COMMISSION EXPIRES Oct 15, 2007

Patti A Wynn
SIGNATURE OF OWNER OR OFFICIAL
928-347-5467
TELEPHONE NUMBER

COUNTY NAME <u>Clark</u>	
MONTH <u>April</u>	YEAR <u>2006</u>



VERIFICATION
AND
SWORN STATEMENT
RESIDENTIAL REVENUE
INTRASTATE REVENUES ONLY

RECEIVED

APR 11 2006

Z Corporation Commission
Director of Utilities

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	Mohave	
NAME (OWNER OR OFFICIAL)	Patti Wynn	TITLE President
COMPANY NAME	DS Water Company	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION
FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2005

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

SWORN STATEMENT

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM ARIZONA INTRASTATE UTILITY OPERATIONS RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2005 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 51,811.03

(THE AMOUNT IN BOX AT LEFT
INCLUDES \$ 2,946.91
IN SALES TAXES BILLED, OR COLLECTED)

*RESIDENTIAL REVENUE REPORTED ON THIS PAGE
MUST INCLUDE SALES TAXES BILLED.

Patti A Wynn
SIGNATURE OF OWNER OR OFFICIAL

928-347-5467
TELEPHONE NUMBER

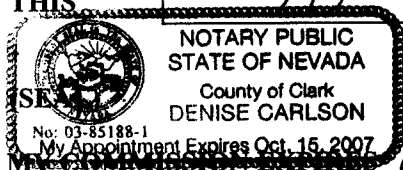
SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

11

DAY OF



NOTARY PUBLIC NAME	Denise Carlson	
COUNTY NAME	Clark	
MONTH	April	2006

X Denise Carlson
SIGNATURE OF NOTARY PUBLIC

Oct 15, 2007